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 Approved For Release 2000/04/18 : CIA-RDP82-00457R005800100008-2
 CENTRAL INTELLIGENCE AGENCY REPORT NO. [REDACTED]

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INFORMATION REPORT

CD NO

COUNTRY Czechoslovakia/Germany (Western Zone)/Yugoslavia

DATE DISTR. 20 SEP 50

SUBJECT Czech-Yugoslav Trade via Switzerland

NO. OF PAGES 1

PLACE 25X1A

NO. OF ENCLS.

ACQUIRED [REDACTED]

DATE OF 25X1A

SUPPLEMENT TO
REPORT NO.

INFO [REDACTED]

25X1X

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* SOURCE [REDACTED]

- On 2 February 1950 the Berlin representative of Kovo, Engineer Rehak, approached the firm of Keutmann and Fritsch in Berlin-Dahlem with a proposal for delivering certain Czech machine tools and other industrial equipment, including woodworking machinery, to Yugoslavia via Switzerland.
- Rehak explained that Yugoslavia had previously ordered large quantities of industrial equipment in Czechoslovakia, of which only about half had been delivered when trade between the two countries came to a standstill. Thus, in February of 1950 there remained in Czechoslovakia goods which had been destined for Yugoslavia to a value of 100,000,000 kcs., and which it was impossible for the Czechs to sell elsewhere. These goods included:
 - Nine twin-tender pit locomotives, type 760/PS 90 valued at 18,000 dollars.
 - 130 lathes, TOS model G 45/1500 and 2000, and MAS model SN 200/1000 and 1500.
 - 25 radial boring machines, MAS model VR 2.
 - Woodworking machinery valued at 400,000 dollars.

The Kovo representative stated that all these goods could be delivered by June 1950 against an irrevocable credit with the Zivnostenska Bank in Prague. Payment would be made in dollars or convertible pounds.
- Since Keutmann and Fritsch were unable to handle such a large scale proposition by themselves, they approached Isrania Import and Export G.m.b.H. in Berlin-Charlottenburg on the matter and an agreement was made by which the two firms should participate on equal basis. Keutmann and Fritsch then contacted the Yugoslav Trade Commission in Frankfurt am Main, which was very interested in the proposal, particularly in the prospect of obtaining the woodworking machinery.
- By the middle of March 1950, after protracted negotiations, a contract had been concluded concerning the metalworking machinery, negotiations were still continuing concerning other items valued at 500,000 dollars and no agreement had yet been made concerning the woodworking machinery and machine tools, because of a failure to agree on delivery terms.

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Document No. 7

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☐ Declassified

Class. Changed To: TS 5A

Auth.: RR 70-2

Date: 07 JUL 1978

By: [Signature]